

# HB141

Friday, February 2nd 2024  
Social Services Appropriations Subcommittee

## OLENE WALKER HOUSING LOAN FUND AMENDMENTS

### PURPOSE

- HB 141 would provide a permanent funding source for the Olene Walker Housing Loan Fund by earmarking a portion of the profits from the state tax on alcoholic beverages.
- The bill would divert 20%, about \$35 million/year of those profits that now goes into the General Fund.

### PROCESS

- The Olene Walker Housing Loan Fund provides financing assistance through grants and loans.
- Developers are required through deed restrictions to address the needs of low to moderate-income households by keeping rents below market rates for 50 or more.
- Gap financing adds to the pool of funding, known as the "capital stack." This finances the land purchase and construction and keeps rent low enough for working-class families to afford.

### NEED

- Between 2011 and 2019, Utah lost 40% of its low rent units due to rent and inflationary increases
- Only 15% of Utah's renter households have enough income to purchase a modestly priced \$300,000 to \$400,000 home.
- The average rental rate in Wasatch Front counties increased at a rate of 6.5% to 7.0% annually since 2011, nearly double the rate of increase in renter's income.
- The average rental rate in Salt Lake County is now \$1,570, which requires an income of \$60,000 to qualify as a tenant.

### IMPACT

**26,432**

NEW AFFORDABLE HOUSING UNITS

**\$28,329**

AVERAGE SUBSIDY PER UNIT

**6,683**

JOBS CREATED

"Investing in affordable housing is an investment in our infrastructure, our built environment, and our futures."

-Steve Erickson

### CONTACT INFO

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